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687 in today's world, when the individual feels his
575 identity threatened, the appeal of ritual to a depressed people cannot be underestimated.

II. CORRUPTION, WASTE AND THEFT

A. Corruption

• 661 In large cities and business centers in
687 the East China Region corruption flourishes. Immediately after the seizure of power in urban areas, the Communists launched a series of campaigns against corruption, involving bribery, embezzlement, and misappropriation of funds. Jao Shu-shih, chairman of the East China Military and Political Committee, in his speech at the launching of the Three-Anti Campaign in December 1951, revealed how seriously corruption threatened the East China Region.[38] From January to November 1951, some 179 corruption cases, involving a total of 288 billion yuan (US$ 14,400,000) were brought before the People's courts and the People's procuratorates in the East China Region. Other charges of corruption, involving 1,242 billion yuan (US$ 62,100,000) were tried from June 1950 to November 1951 by the People's Control Commission of the East China Military

38. Full text, ibid., Dec. 30, 1951, p. 1.

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687 and Political Committee. Among the 615 members of the East China Military and Political Committee involved in these cases, 470 were from government financial and economic agencies, 90 were from the political and legal departments, 29 from the educational and cultural departments, and 26 were from mass organizations. Jao also warned of the appearance of "bourgeois concepts" among governmental personnel, particularly among the Communist cadres. These people were said to regard the bourgeois tradition as "liberal" and "dignified" and thought the Communist ideology "conservative and narrow-minded." Hence, to entertain friends and to pay for gifts with official funds were defended as acts of "revolutionary love."

Many cases of corruption, waste, bureaucracy were exposed during the Three-Anti Campaign. In the factories under the management of the Department of Industry of the East China Military and Political Committee, 157 persons were found guilty of corruption (involving 45 billion yuan, US$ 2,250,000) in 1951.[39] In the Department of Trade, 186 corruption cases, involving 10 billion yuan, were discovered. In other provinces, corruption cases were no

39. Ibid., Dec. 28, 1951, p. 1.

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661 less serious. A single case uncovered in the
687 Shantung Construction Building Company, a state-owned company, involved 42 people and over 7 billion yuan.[40] In both the departments of Forestry and Finance under the Shantung Provincial Government, bribery, embezzlement, and misappropriation of funds involved large sums. The Department of Forestry was guilty of "banking" almost one and a half billion yuan, and the Department of Finance was accused of large-scale misuse of funds. In Fukien Province, corruption in the Bureau of Highways involved 60 billion yuan.[41] Misuse of state funds was also reported. The monthly rent for domitories for the personnel in the Bureau of Public Security of Shanghai amounted to one billion yuan.[42] Likewise, the Shanghai branch of the People's Bank reported fifty instances of misuse of funds during the first half of 1951.[43]

In the Shanghai Railway Administration Bureau, 7,600 people confessed to acts of corruption.[44] Two groups of high officials,[45]

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40. Ibid., Jan. 17, 1952, p. 1.
41. Ibid., Jan. 18, 1952, p. 1.
42. Ibid., Dec. 14, 1951, p. 1.
43. Ibid., Dec. 18, 1951, p. 2.
44. Ibid., Jan. 19, 1952, p. 1.
45. Ibid., March 2, 1952, p. 1; March 10, 1952, p. 1.

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661/687 members of the Party, were exposed. Li Yü, the secretary-general of the Shanghai Municipal Government, Ts'ao Man-chih, secretary of the Party Committee of the Shanghai Municipal Government, and five others were accused of obstructing the Three-Anti and Five-Anti campaigns. Yün I-ch'ün, a Party member since 1926 and head of the East China Bureau of Information and Publication, was found guilty of conducting public business for private profit. Wen Yang-ch'un, the vice president of the Party school under the East China Party Bureau, was found guilty of a similar offense. Yeh Chien-ming, the chief of the Shanghai Public Utilities Bureau, Shih Chen, the deputy-mayor of Tsinan, Shantung, and Chi Ming, the deputy-chief of the Department of Public Security of Shantung Province, were found guilty of accepting bribes, embezzlement, and misappropriation of funds.[46]

During the Five-Anti Campaign, cases of tax evasion and theft of state property were exposed.[47] Wang K'ang-nien,[48] owner of a pharmacy, was found guilty of cheating the Chinese Communist forces in Korea by

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46. Ibid., Jan. 10, 1952, p. 1.

47. Both Three-Anti and Five-Anti campaigns were launched at about the same time. Although they lasted only six months, they were ruthlessly carried out and their impact upon the region was great.

48. Liberation Daily, Feb. 7, 1952, p. 1.

661 supplying them with medical supplies of poor
687 quality. Pan Pao-ts'ai[49] was found guilty of bribing officials in order to steal property from state-owned factories and firms. The loss was placed at 50 billion yuan (US$ 2,500,000). Many firms were accused of cheating the People's Liberation Army. The Mei Ling Canning Company[50] was accused of profiting from the sale of unedible fish. A firm in Tsingtao,[51] Shantung Province, in conjuction with firms in Tientsin and Peiping, made a profit of 199 billion yuan from a contract to supply raincoats for the Army. These cases will serve to suggest the extent to which corruption and inefficiency exist in Communist organizations. Reports indicate that corruption continues, and the Communists may be impelled at any time to tighten controls and to launch drives similar to the Three-Anti and Five-Anti campaigns.[52]

B. Waste and Theft

687 Theft and waste are two of the "poisons" singled out for prosecution in the Three-Anti and Five-Anti campaigns. "Waste" can include any act resulting in the loss or destruction of state property. Cases of industrial

49. Ibid., Feb. 20, 1952, p. 1.
50. Ibid., April 2, 1952, p. 1.
51. Ibid., Dec. 13, 1951, p. 1.
52. Ibid., Nov. 22, 1951, p. 1.

2: Murphy G-4 (no date) 1953 AF15 East China AF15

surplus began at this period to move to Shanghai and has continued to do so.

Grain shipments on the Grand Canal from the delta to Peking had actually become insignificant after the Taiping Rebellion (1850–1864), and ceased entirely in 1901. Sea transport of rice was substituted until 1911, but it never brought from the delta to Peking more than a small fraction of what had previously moved by the Canal. During the nineteenth century, Kiangsu and Chekiang had yearly quotas of tribute rice shipments to Peking of over one million piculs each, totalling for both over 320 million pounds,[47] or about one-third of the annual rice consumption of Shanghai alone in the 1930's. However Morse suggests[48] that the rice actually collected (much of which never got to Peking) may often have been six times the official quotas.

The population of Peking did not decline after 1911, since the city remained the seat of a northern warlord regime and became China's largest rail junction, especially with the economic development of Manchuria. Its estimated population total in 1936 was 1,400,000, in all likelihood the highest figure it had ever reached, as compared with about 800,000 in 1900. But it was no longer the seat of a court, garrison troops, and an extensive bureaucracy, recruited from all over China including the rice-eating south, and with power to command shipments of tribute rice, which made up part of many official salaries. After Peking ceased to function as the imperial capital, its population subsisted primarily on the millet and wheat readily obtainable from north China, while the flow of rice from the Yangtze delta followed economic rather than imperial dictates.

It does however seem possible that rice surpluses in the delta available for urban consumption have been greater since the twentieth-century growth of Shanghai (and of its many urban rivals in the delta) than during the imperial period. The following paragraphs suggest one explanation of this. Another might be that local farmers had less incentive to produce rice when most or all of the surplus went to Peking as tribute, or was absorbed as "squeeze," than when they could sell it in a reasonably free market for consumption in Shanghai.

In the early years of the foreign settlements when foreigners were